H (Mysore

App. F. IX-4

*Previous References*

1938.
(Legis.)

: No. 14 of 38
ial Nos. (Amdt.)

*Letter References*
Legs. 27-38-1

PRESERVED

# GENERAL AND REVENUE SECRETARIAT.

*Serial Nos.* one only

Part ~~A~~ B for March, 1939.

## SUBJECT.

Passing of an Emergency Act to amend the Mysore Paper Currency Act, 1913

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Sd/- To The Compiler, Laws.
No. D 1322 of 5.9.38.

WD 0295—GPB—22,500—18-8-37

Read the Emergency Act to amend the Paper Currency Act 1913 as published as Act XIX of 1938 in the Mysore Gazette

organizer Section
5/2/39.

Serial No.

Bank Notes issued by the Reserve Bank of India.

Under the Mysore Paper Currency Act (V of 1919 a currency note issued under any Indian Paper Currenc Act for the time being in force in British India shall be legal tender in the State. Till now currency notes were being issued by the Government of India under the Indian Paper Currency Act.

Under Section 22 of the Reserve Bank Act (II of 1934), the Reserve Bank has been empowered to issue bank notes in British India and also to issu currency notes of the Government of India supplied to it by the Governor-General in Council. On and from the date on which Chapter III of the Reserve Bank Act comes into force, the Governor-General in Council shall not issue any currency notes. The Reserve Bank has commenced issuing bank notes and they are in circulation now.

Section 26 of the Reserve Bank Act which makes the bank notes legal tender runs thus:

> "(1) Subject to the provisions of subsectio (2) every bank note shall be legal tender at any place in British India in payment or on account for the amount expressed therein, and shall be guaranteed by the Governor-General in Council.
>
> (2) On recommendation of the Central Board the Governor-General in Council may, by notification in the Gazette of India, declare that, with effect from such date as may be specified in the notification, any series of bank notes of any denominatic shall cease to be legal tender save at an office or agency of the bank."

NOTE—Contn. Sheet.

Serial No.

4)

Since Section 2 of the Mysore Paper Currency Act makes only currency notes under the Indian Paper Currency Act for the time being in force in British India to be legal tender, the bank notes of the Reserve Bank would not come under it and they would not be legal tender in Mysore. It is therefore necessary to amend the Mysore Paper Currency Act to make the Reserve Bank notes legal tender. They may continue to be legal tender in Mysore so long as they possess that characteristic in British India.

5) Under Article XII of the Mysore Treaty, it is only the right of coinage that has been ceded to the Government of India. The Mysore Government has the right to issue currency notes. This right will not in any way be affected by our recognising the currency of the Reserve Bank notes. We recognize them as current for the time being just as we are recognizing currency notes issued by the Government of India.

6) The amendment proposed to the Mysore Paper Currency Act is as follows:

In section 2 add the following words after the words " in British India":-

" or a bank note issued by the Reserve Bank of India under the Reserve Bank of India Act so long as such bank note is legal tender in British India".

7) The section as amended will read thus:

Serial No.

DEWAN'S OFFICE
17 AUG. 1938
No. 1174

" A Universal Currency Note and any other currency Note issued within Madras Circle of issue under the Indian Paper Currency Act, 1871, or the Indian Paper Currency Act, 1910, or any Indian Paper Currency Act for the time being in force in British India or a bank Note issued by the Reserve Bank of India under the Reserve Bank of India Act so long as such bank Note is a legal tender in British India shall be a legal tender to the amount expressed in such note in payment or on account of revenue or other claim to the amount of one rupee and upwards due to the State; or any sum of one rupee and upwards due by the State or by any body corporate or person in Mysore."

9) As the Reserve Bank notes are already in circulation, it is desirable that the amendment be passed as an Emergency Act.

OFFICE OF THE
FIRST MEMBER OF COUNCIL
AUG 16 1938
No. 1661

For Sec
Chief Sec
1st Member)

C
16/8/38

10) MMS
16/8

9) A Seal
16.8.38

11) JPR
16/8

Dewan)

C, 17/8

12) MG
17-8-38

For further action
A.S. (Ret)

C, 18/8/38

hm
18.8

NOTE—Contn. Sheet.

Serial No.

Send with a draft of the amending Act. This is a Council matter. A D.F. No is also put up.

GENERAL SECRETARIAT 19 AUG. 1938 1016

Please put up typed drafts

SG 19/8/38.

BKR 19.8.38

Typed drafts submd.

SG 19/8.

BKR 19.8.38.

Gen. Secy) Secd 1911

Chief Secy) hg 22.8

For appl. may be dispensed with circulation.

CHIEF SECRETARY, AUG. 19 GOVT OF MYSORE.

1985 22/8

1st member & Dewan) hg 22.8

SJ 22/8

hg 22-8-38

Secd

2nd member) 1115 23/8

hg 24.8

Secd 25/8/38 1115 26/8

OFFICE OF THE SECOND MEMBER OF COUNCIL. 24 AUG. 1938 No. 124

2258 26/8

D.F. No Secd. SG 26/8. 1st member) hg 26.8

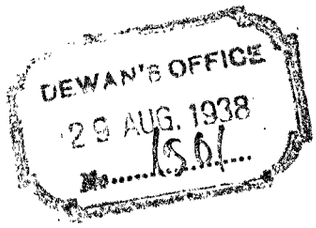
1176

C 87-37

5

General and Revenue Secretariat | File No. | of 193 | [App. F. III–2

Serial No.




Subject. - Passing of an Emergency Act to amend the Mysore Paper Currency Act, 1919.

...

S. N. put up.

MMS
27.8.38

DEWAN)

hp
29.8

NOTE—Contn. Sheet.

**Final Note by the First Member of Council.**

***Subject.—***

Passing of an Emergency Act to amend the Mysore Paper Currency Act, 1919.

i) Under the Mysore Paper Currency Act, 1919, a currency note issued under any Indian Paper Currency Act shall be legal tender in the State. Till now currency notes were being issued by the Government of India under the Indian Paper Currency Act. After the establishment of the Reserve Bank of India under the Reserve Bank of India Act, 1934, that Bank has been empowered to issue bank notes in British India and also to issue currency notes of the Government of India supplied to it by the Governor-General in Council. The Bank has commenced issuing bank notes and they are in circulation now.

ii) Section 2 of the Mysore Paper Currency Act 1919 makes only currency notes under the Indian Paper Currency Act for the time being in force in British India to be legal tender. The bank notes of the Reserve Bank would not therefore come under it and they would not be legal tender in Mysore.

iii) To make the Reserve Bank notes legal tender in the State it is thus necessary to amend the Mysore Paper Currency Act, 1919. As the Reserve Bank notes are already in circulation, it is proposed to pass the amendment an an Emergency measure and to take action in the usual course to place the amendment permanently on the Statute Book.

iv) The proposal has been agreed to by the Dewan and the Second Member of Council and may be graciously approved.

MEMBER OF COUNCIL.

Bangalore,
27th August 1938.

Submitted to His Highness.

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I submit herewith a Final Note by the First Member of Council re: passing of an Emergency Act to amend the Mysore Paper Currency Act, 1919,

for His Highness' gracious approval.

Mirza M. Ismail
Dewan.

Bangalore,
29th August 1938.

**Record of Cases submitted for the Orders of His Highness the Maharaja.**

## *Subject.*

Passing of an Emergency Act to amend the Mysore Paper Currency Act, 1919.

No. 140

## *Order.*

~~KRW~~
30/8/38

MS
31-8-38

C 87-37

SUBJECT:—

Passing of an Emergency Act to amend the Myson Paper Currency Act, 1919.

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(*)

31. All urgent or confidential files returned with His Highness' orders may in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at Headquarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Members of Council for perusal of His Highness' orders before / after issue of orders. (*Vide* Rules 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

*Chief Secretary to Government.*

Through the Secretary to Government,

.....Department.

2423, 31/8

FIRST MEMBER OF COUNCIL.

31/8

1532 31.8.38

SECOND MEMBER OF COUNCIL.

1/9/38

Prom

1.9.38

1.9

NOTE.—Contn. sheet.

WD 1467—GPB—500—23-2-38

Paper Currency Amendment.



Serial No.

32) Submt. with a draft address for publishing the Act

Sec. 2/9/38.

issue by 2.9

33) Is it necessary to bring a bill in the usual course & to place the gen principles before the next R. A.

by 2.9

34) A draft statement of general principles with the point up after issue of the Emergency Act:

Sec 2/9.

by 2.9

1 G.O.No. 1322 dt 2/9/38 directing the publication of Emergency Act XIX of 1938.

31) The Emergency Act has been passed. It will have force only for six months. It is necessary to bring in the amendment as a permanent measure

32 Submt. with a draft bill & a st. of general principles for being placed before R. A.

Sec 6/9/38.

NOTE—Contn. Sheet.

TYPING SECTION 2 SEP 1938 GENL. & REV. SECTT.

Paper Currency Amendment

General and Revenue Secretariat

J. File No. 14 of 1938.

Serial No. 791

GENERAL SECRETARY. 7 SEP. 1938 1451

35) The bill & the Statement of the Gen principles may be approved the Gen principles will have to be placed before the ensuing R. A. The bill etc ey will be introduced in the next L C & passed at one sitting

Gen Secy) 9/9 7/9 6.9

His Member) 34) 7/9

Dewan) 35) 7-9-38 9/9 8.9

2712 7/9

36) Subm. for orders if copies of the St. may be sent to R. A.

9/9. Yes 10.9

Typing section for 4 copies of St. of Gen. principles

10/9.

20 R A Offices with typed copies of the St.

10/9.

37) Copies taken 12/9

OFFICE OF THE SECRETARY 12 SEPT. 1938 REPRESENTATIVE ASSEMBLY AND LEGISLATIVE COUNCIL

A

Statement of general principles of the Bill to amend Paper Currency Act.

Under the Mysore Paper Currency Act, 1919 a currency note issued under any Indian Paper Currency Act shall be legal tender in the state. Till now currency notes were being issued by the Government of India under the Indian Paper Currency Act. After the establishment of the Reserve Bank of India under the Reserve Bank of India Act, 1934, that Bank has been empowered to issue bank notes in British India and also to issue currency notes of the Government of India supplied to it by the Governor General in Council. The Bank has commenced issuing bank notes and they are in circulation now.

Section 2 of the Mysore Paper Currency Act 1919 makes only currency notes under the Indian Paper Currency Act for the time being in force in British India to be legal tender, The bank notes of the Reserve Bank would not come under it and they would not be legal tender in Mysore. To make the Reserve Bank notes legal tender in the State it is necessary to amend the Mysore Paper Currency Act, 1919. As the Reserve Bank notes were already in circulation an amendment of the Mysore Paper Currency Act was passed as an emergency measure. It will have force only for six months. It is now proposed to place the amendment permanently on the statute book.

12

Bill to amend the Mysore Paper Currency Act, 1919.

---

Whereas it is necessary to amend the Mysore Paper Currency Act, 1919 it is hereby enacted as follows:-

1 (1) This Act may be called the Myso: Paper Currency (Amendment) Act, 193...

(2) It shall come into force at once

(3) The Mysore Paper Currency (Amendment) Emergency Act, XIX of 1938 is hereby repealed.

2. In Section 2 of the Mysore Paper Currency Act, 1919 after the words "British India" the following shall be inserted namely:-

"or a bank note issued by the Reserve Bank of India under the Reserve Bank of India Act, 1934 so long as such bank note is legal tender in British India".

VIII. General Principles of the Bill to amend the Mysore Paper Currency Act.

The SECRETARY TO GOVERNMENT, GENERAL DEPARTMENT (Mr. M. Venkatesa Iyengar) explained the general principles of the bill as follows :-

The general principles of the bill were accepted without any discussion.

## STATEMENT OF OBJECTS AND REASONS.

...

Under the Mysore Paper Currency Act, 1919 a currency note issued under any Indian Paper Currency Act shall be legal tender in the State. Till now currency notes were being issued by the Government of India under the Indian Paper Currency Act. After the establishment of the Reserve Bank of India, under the Reserve Bank of India Act, 1934 that Bank has been empowered to issue bank notes in British India and also to issue currency notes of the Government of India supplied to it by the Governor-General in Council. The Bank has commenced issuing bank notes and they are in circulation now.

Section 2 of the Mysore Paper Currency Act 1919 makes only currency notes under the Indian Paper Currency Act for the time being in force in British India to be legal tender. The Bank notes of the Reserve Bank would not come under it and they would not be legal tender in Mysore. To make the Reserve Bank notes legal tender in the State it is necessary to amend the Mysore Paper Currency Act, 1919. As the Reserve Bank notes were already in circulation an amendment of the Mysore Paper Currency Act was passed as an emergency measure. It will have force only for six months. It is now proposed to place the amendment permanently on the statute book.

examined. Further, claim petitions may be filed without any serious idea of pursuing them or they may be allowed to drag on delaying the passing of orders "after investigation." To avoid these difficulties it is proposed to omit the words "after investigation" in this Article. This will also bring the law into line with that in British India.

## VIII. General Principles of the Bill to amend the Mysore Paper Currency Act.

Under the Mysore Paper Currency Act, 1919, a currency note issued under any Indian Paper Currency Act shall be legal tender in the State. Till now currency notes were being issued by the Government of India under the Indian Paper Currency Act. After the establishment of the Reserve Bank of India under the Reserve Bank of India Act, 1934, that Bank has been empowered to issue bank notes in British India and also to issue currency notes of the Government of India supplied to it by the Governor-General in Council. The bank has commenced issuing bank notes and they are in circulation now.

Section 2 of the Mysore Paper Currency Act, 1919, makes only currency notes under the Indian Paper Currency Act for the time being in force in British India to be legal tender. The bank notes of the Reserve Bank would not come under it and they would not be legal tender in Mysore. To make the Reserve Bank notes legal tender in the State, it is necessary to amend the Mysore Paper Currency Act, 1919. As the Reserve Bank notes were already in circulation an amendment of the Mysore Paper Currency Act was passed as an emergency measure. It will have force only for six months. It is now proposed to place the amendment permanently on the statute book.

BANGALORE,
*Dated* 14*th September* 1938.

A. SUNDARARAJA RAO,
*Secretary,*
*Mysore Representative Assembly.*

WD 403—GPB—600—18-9-38

been allowed to set up, establish, or continue, any such market, shall on conviction by a magistrate be punished with fine which may extend to Rs. 500 and in case of a continuing breach of the provisions of Section 17, with fine which may extend to Rs. 100 for each day after the first, during which the breach continues.

19. *Offences to be triable only by a First Class Magistrate.*—(i) No offence under this Act or under any rule made under Section 6 or under any bye-laws made under Section 7 shall be triable by a Magistrate other than a Magistrate of the First Class.

(ii) All fines and damages recov..... ..... an offender shall be paid to the market committee.

iii) Prosecutions under this Act may be instituted by any person duly aut.....ed in writing by the market committee or by an officer designated by Government in this behalf.

20. With the previous sanction of the Government which may be accorded by general or special order, the ..... ..... of the district may, by an order in writing, delegate to any executive officer, not below the rank of a ....., all or any of his powers or duties under this Act or the rules framed thereunder ..... ..... .. .. .... .....

## VI. General Principles of the Tea Control Bill

In accordance with an international scheme for restricting the production o tea, the Indian Tea Control Act, 1933 was enacted in British India. In conformity with that scheme, expansion of tea cultivation in Mysore was restricted by Notification No. Camp D. 46—A. & E. 219-33-16-F., dated 19th June 1934. That scheme expired both in British India and Mysore on 31st March 1938. On the agreement of the representatives of the Tea Industry, the scheme has been extended for a further period of five years and the Indian Tea Control Act, 1938, has been passed. The operation of the scheme has also been extended in Mysore by Notification No. D. 8535—A. & E. 80-37-4, dated 7th May 1938. In order that the tea estates in Mysore may be able to procure export licences from the Committee constituted under the Indian Tea Control Act, 1938, to the extent of their quota based on the crop basis, it is necessary to pass a legislative enactment providing for the control of export of tea from and for the control of the extension of the cultivation of tea in the State.

It is proposed to introduce legislation in order to give legal sanction ... measures to be taken to control effectively the expansion of cultivation of tea in the State. No tea can be exported out of India to any place specified by Government unless it is covered by a licence granted by the Committee constituted under the Indian Tea Control Act, 1938. No land which was not planted with tea on the 31st March 1938 can be planted with tea without the written permission of Government.

Powers of Government relating to control on extension of tea cultivation may be delegated to the Committee. Appeals against the decisions of the Committee will, however, lie with Government.

## VII. General Principles of the Bill to amend the Limitation Act.

Article 11 of the Limitation Act provides for the period of limitation for suits to establish one's right to property attached in execution of a decree. The policy of the Act is to secure speedy settlement of questions of title raised in execution proceedings. So, a period of one year is fixed as the time within which such suit is to be brought. But the article as at present worded admits of delay in the disposal of such claim petitions as orders are required to be made after "investigation." The term "investigation" has given rise to different interpretations. One view is that "after investigation" means after evidence is recorded and another view that if the case is posted for evidence and dismissed even for default ... make the order one passed after investigation though ...

G. R. S. VI.—s-III/14]

**DRAFT.**

SUBJECT.....

.....

.....

**Section.** Legis
**File No.** 14 J 38
**Serial No.** 1.

*Diary No. of letter replied to*.....

*Proceedings of the Government of H. H. the Maharaja of Mysore.*

Order No. P 1322/Legis 1.

GENERAL AND REVENUE SECRETARIAT,

( )

*, the*.....*191* .

Ordered that the accompanying..... Emergency Act to amend the Paper Currency Act, 1917

which received the assent of His Highness the Maharaja, on the 17th instant

*Date of issue:* 5-9-38

day of August 1938,

*Signed by* Mr. M.S.R.

be published as ~~Regulation~~ Act No. XIV of 1938, in the *Mysore Gazette* for general information.

May this be—

(i) Printed?

(ii) Treated as a standing order?

(iii) Published in the "Gazette" English part?

(iv) Translated?

(v) Placed at the disposal of the Press?

(vi) Published in the "Gazette" Kannada part?

5/9/38

*Secretary to Government.*

To

The Compiler, *Mysore Gazette*, for publication in Part ~~III~~ IV of the Gazette, in English and Kannada and for supply of .....spare copies in English, and .....spare copies in Kannada ~~to this office~~, and.....spare copies in English and.....spare copies in Kannada to the Curator, Government Central Book Depot, Bangalore. Proofs ~~should be sent to this office for approval before publication.~~ Copy to be sent to the Curator for sale of spare copies for readers.

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE.

Read :—

ORDER NO. P/322 Lgs 14-38-1
Secl.

Dated, Bangalore, the 5th September 1938.

Ordered that the accompanying Emergency Act to amend the Paper Currency Act, 1919 which received the assent of His Highness the Maharaja, on the thirtieth day of August 1938 be published as Act XIX of 1938 in the Gazette for general information.

By order etc.,
5.9

For General Secretary to Government.
5.9

The Compiler, Mysore Gazette, for publication in Part IV of the Gazette, in English and Kannada and for supply of spare copies in English and in Kannada as per standing orders.

K.V.P.5.

EMERGENCY ACT.

No XIX of 1938.

An Act to amend the Mysore Paper Currency Act, 1919.

---

Whereas an emergency has arisen which makes it necessary to amend the Mysore Paper Currency Act, 1919; now therefore under Section 12 of the Mysore Legislative Council Act, 1923, it is hereby enacted as follows:-

1 (1) This Act may be called the Mysore Paper Currency (Amendment) Emergency Act, 1938.

(2) It shall come into force at once.

2. In Section 2 of the Mysore Paper Currency Act, 1919 after the words "British India" the following shall be inserted namely :-

" or a bank note issued by the Reserve Bank of India under the Reserve Bank of India Act, 1934, so long as such bank note is a legal tender in British India,"

Sd/. Mirza Ismail
Dewan

Statement of general principles of the Bill to amend Paper Currency Act

---

Under the Mysore Paper Currency Act, 1919 a currency note issued under any Indi Paper Currency Act shall be legal tender i the State. Till now currency notes were being issued by the Government of India un the Indian Paper Currency Act. After the establishment of the Reserve Bank of India under the Reserve Bank of India Act, 1934, that Bank has been empowered to issue bank notes in British India and also to issue currency notes of the Government of India supplied to it by the Governor General in Council. The Bank has commenced issuing bank notes and they are in circulation now.

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719/38

NOTIFICATION.

*No. 970—L. C., dated Bangalore, the 10th November 1938.*

Under Rule 8 of the rules for the conduct of business of the Mysore Legislative Council, the accompanying Bill to amend the Mysore Paper Currency Act, 1919 is published for general information with the statement of objects and reasons.

By Order,

A. SUNDARARAJA RAO,
*Secretary,*
*Mysore Legislative Council.*

**Bill to Amend the Mysore Paper Currency Act, 1919.**

Whereas it is necessary to amend the Mysore Paper Currency Act, 1919; it is hereby enacted as follows:—

1. (1) This Act may be called the Mysore Paper Currency (Amendment) Act, 193....

(2) It shall come into force at once.

(3) The Mysore Paper Currency (Amendment) Emergency Act, XIX of 1938, is hereby repealed.

2. In section 2 of the Mysore Paper Currency Act, 1919, after the words "British India" the following shall be inserted, namely:—

"or a bank note issued by the Reserve Bank of India under the Reserve Bank of India Act, 1934, so long as such bank note is legal tender in British India."

**Statement of objects and reasons.**

Under the Mysore Paper Currency Act, 1919 a currency note issued under any Indian Paper Currency Act shall be legal tender in the State. Till now currency notes were being issued by the Government of India under the Indian Paper Currency Act. After the establishment of the Reserve Bank of India, under the Reserve Bank of India Act, 1934, that Bank has been empowered to issue

bank notes in British India and also to issue currency notes of the Government of India supplied to it by the Governor-General in Council. The Bank has commenced issuing bank notes and they are in circulation now.

Section 2 of the Mysore Paper Currency Act, 1919, makes only currency notes under the Indian Paper Currency Act for the time being in force in British India to be legal tender. The bank notes of the Reserve Bank would not come under it and they would not be legal tender in Mysore. To make the Reserve Bank notes legal tender in the State it is necessary to amend the Mysore Paper Currency Act, 1919. As the Reserve Bank notes were already in circulation, an amendment of the Mysore Paper Currency Act was passed as an emergency measure. It will have force only for six months. It is now proposed to place the amendment permanently on the Statute Book.

Printed by the Superintendent at the Government Press, Bangalore.

Rogers.

MSS 2 105

Correspondence 1–6.